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Division of Health Care Finance and Policy

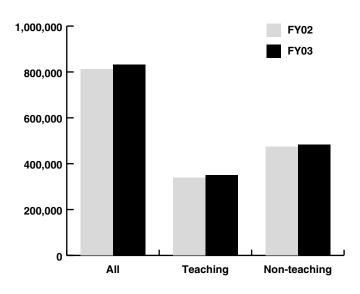
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Paul J. Cote, Jr. Commissioner

Number 17 FY03 Annual Report

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Total Hospital Inpatient Discharges

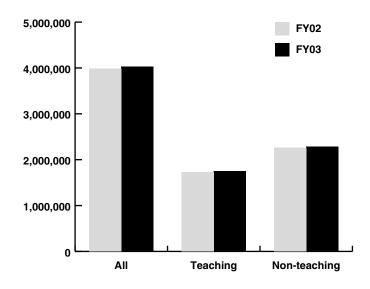


- In FY03, 831,427 patients were discharged from Massachusetts acute hospitals, an increase of 2.4% over FY02.
- Discharges from teaching hospitals grew at a faster rate (3.1%) than discharges from non-teaching hospitals (2.0%).

Total Hospital Inpatient Days

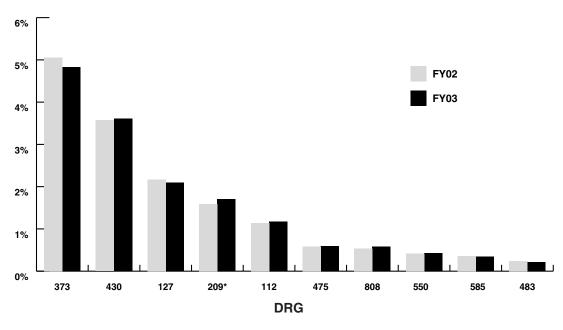
What is Datapoint?

Datapoint is a quarterly publication that highlights the most current information available about the Massachusetts short stay acute care hospital industry. This issue compares two years of data (FY03 and FY02). To obtain additional copies, please call the Division of Health Care Finance and Policy Office of Publications at (617) 988-3125. To share your comments and suggestions for future editions, or to discuss technical questions, please contact Bennett Locke at (617) 988-3144 or by email at ben.locke@state.ma.us. Look for the data behind Datapoint at www.mass.gov/dhcfp.



- Inpatient days increased at a slower rate (1.0%) than inpatient discharges in FY03.
- Teaching hospitals experienced a slightly higher growth rate (1.2%) than non-teaching hospitals (0.9%).

Top Ten DRGs Ranked by Percent of Discharges for FY03



DRG Description Vaginal delivery without complicating diagnoses 373 430 **Psychoses** 127 Heart failure and shock 209 Major joint and limb reattachment procedure of lower extremities Percutaneous cardiovascular procedure without AMI, heart failure, or shock 112 475 Respiratory system diagnosis with ventilator support 808 Percutaneous cardiovascular procedure with AMI, heart failure, or shock 550 Other vascular procedures with major CC

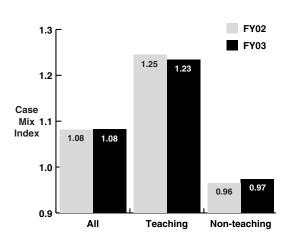
Major stomach, esophageal, duodenal, small and large bowel procedure with major CC

- Tracheostomy except for face, mouth and neck diagnoses
- As with the previous two years, Vaginal Deliveries (DRG 373), Psychoses (DRG 430), and Heart Failure and Shock (DRG 127) were the most frequently admitted conditions, comprising 4.8%, 3.6% and 2.1% respectively of all discharges in FY03.
- The four cardiac-related DRGs (127, 112, 808 and 550) accounted for 4.3% of all discharges (35,585) in FY03. Although DRG 550 is not solely cardiac-related, the majority of DRG 550 discharges were associated with cardiac procedures.

Notes: DRGs are based on the 3M All-Patient Grouper, V12; AMI = acute myocardial infarction; CC = complications or comorbidities
*DRG 209 includes hip and knee replacement procedures

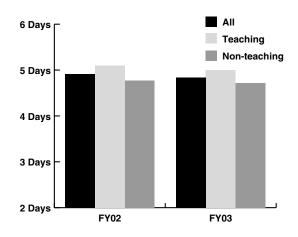
585

Case Mix Index



- The case mix index, which measures case complexity and resource use, increased very slightly in FY03.
- Case mix severity decreased slightly in teaching hospitals and increased slightly in non-teaching hospitals.

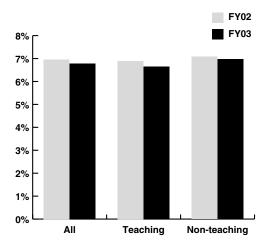
Average Length of Stay



- In FY03 average length of stay (ALOS) decreased slightly from 4.9 to 4.8 days.
- ALOS was higher for teaching hospitals (5.0 days) than for non-teaching hospitals (4.7 days).

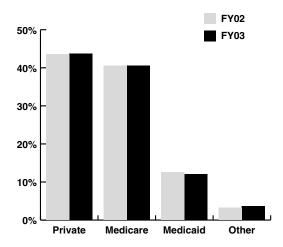
Note: Median LOS has remained at 3 days since FY98.

Pharmacy Charges as a Percent of Total Charges



- Total pharmacy charges statewide reached \$881.8 million in FY03, an increase of 8.3% over the previous year.
- As a percent of total charges, however, pharmacy charges decreased slightly from 7.0% in FY02 to 6.8% in FY03.

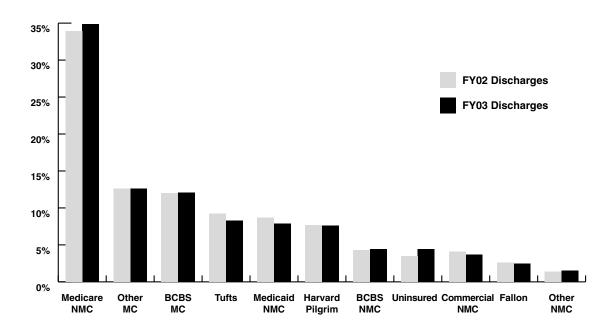
Government and Private Payers Ranked by Percent of Discharges



- With the exception of Medicaid, discharge frequencies for private and government payers have remained fairly constant for several years.
- In FY03 Medicaid experienced a 4.4% decrease in percent of discharges.

Note: "Other" includes workers' compensation, Champus, free care and other government.

Payer Categories Ranked by Percent of Discharges for FY03



- Among payer categories, the uninsured had the highest rate of growth (4.4%) in discharges; this category accounted for 36,666 discharges in FY03.
- Payer categories with the greatest percentage decrease in discharge frequency were Medicaid Non-Managed Care (NMC), Commercial NMC and Tufts. These three payer categories declined approximately 9% each in discharge frequency.

Notes: BCBS = Blue Cross Blue Shield; MC = Managed Care; NMC = Non-Managed Care

Endnotes

This edition of *Datapoint* includes analyses of inpatient discharge data from 75 acute care hospital campuses for FY03 (10/01/02 to 09/30/03). Of these 75 hospital campuses, 15 are teaching and 60 are non-teaching. The statistics used to create *Datapoint* graphics are available on our web site: www.mass.gov/dhcfp.

The following hospitals are categorized as teaching hospitals: Baystate Medical Center, Beth Israel Deaconess Medical Center, Boston Medical Center, Brigham and Women's Hospital, Cambridge Health Alliance, Caritas St. Elizabeth's Medical Center, Children's Hospital Boston, Dana-Farber Cancer Institute, Faulkner Hospital, Lahey Clinic, Massachusetts Eye and Ear Infirmary, Massachusetts General Hospital, Saint Vincent Hospital, Tufts-New England Medical Center, and UMass Memorial Medical Center.

Charges are not inflation-adjusted and do not represent costs of care. Charges are the amount that hospitals bill to various payers and do not reflect actual reimbursement for services.

The case mix index (CMI) is calculated using Massachusetts cost weights (base year = FY93) for the 3M All-Patient Grouper, V12. Note that an average hospital's CMI is 1.0.

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